

**North Dakota Department of Human Services
Medical Services Division
Provider Reimbursement Rates under Medicaid Expansion
Section 38 of 2017 House Bill 1012**

Medicaid Expansion Fee Schedule – Effective July 1, 2017:

| Type of Service | Est. Percent of Medicare | Est. Percent of Medicaid* |
|---------------------|--------------------------|---------------------------|
| Professional | 179% | 179% |
| Inpatient | 184% | 173% |
| Outpatient | 190% | 264% |
| Overall | 183% | 202% |

*Based on original analytics provided by Optumas Healthcare Consulting and adjusted for provider contract changes.

Pharmacy (Drug) Reimbursement for Medicaid Expansion

The following represents the minimum reimbursement rate available to North Dakota pharmacy providers for Sanford Health Plan - Medicaid Expansion line of business only:

| ND Medicaid Expansion Retail Network (ND Pharmacies Only) | Floor Rate | Pricing Methodology |
|---|------------|--|
| Ingredient Cost - Brand | AWP – 14% | <i>Lower of submitted ingredient cost, contracted AWP discount or MAC (if a multisource brand that is MAC'd), or Usual and Customary</i> |
| Ingredient Cost – Generic | MAC | <i>Lower of submitted ingredient cost; MAC or Usual and Customary</i> |
| Dispensing Fee | \$1.50 | <i>Dispensing fee does not apply to Usual and Customary claims</i> |

The above rates are not used for certain drugs as many oncology drugs are paid as medical claims at a percent of billed charges rate. For example, in 4q16, for 30 tablets of Gleevec®, the pharmacy was reimbursed \$14,714.88, which equates to 211% of the Medicaid rate. That same prescription under traditional Medicaid would have been reimbursed at \$6,950.17.

MAC = Maximum Allowable Cost

AWP = Average Wholesale Price

Medicaid Expansion Premium Rates Effective 07/01/2017

| Category | Age Cohort | Gender | Urban |
|--|------------|--------|------------|
| Childless Adults | 19-44 | M | \$897.34 |
| Childless Adults | 19-44 | F | \$841.20 |
| Childless Adults | 45-64 | M | \$1,949.76 |
| Childless Adults | 45-64 | F | \$1,556.80 |
| Adults with Children | 19-44 | M | \$897.34 |
| Adults with Children | 19-44 | F | \$841.20 |
| Adults with Children | 45-64 | M | \$1,949.76 |
| Adults with Children | 45-64 | F | \$1,556.80 |
| Retroactive Only, Not currently eligible - URBAN | | | \$2,128.58 |

| | | | Rural |
|--|-------|---|------------|
| Childless Adults | 19-44 | M | \$939.66 |
| Childless Adults | 19-44 | F | \$880.87 |
| Childless Adults | 45-64 | M | \$2,041.71 |
| Childless Adults | 45-64 | F | \$1,630.22 |
| Adults with Children | 19-44 | M | \$939.66 |
| Adults with Children | 19-44 | F | \$880.87 |
| Adults with Children | 45-64 | M | \$2,041.71 |
| Adults with Children | 45-64 | F | \$1,630.22 |
| Retroactive Only, Not currently eligible - RURAL | | | \$2,128.58 |